

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2358 – SB 2220

February 10, 2012

SUMMARY OF AMENDMENT (012939): Deletes all language after the enacting clause. Increases the minimum dollar lease amount, from \$75,000 to \$150,000, by which the Attorney General and Reporter's Office (AG) and the State Building Commission (SBC) are required to review and approve leases involving state property. Requires the Office of the State Architect to post, on its website, information in respect to any lease that is not submitted and reviewed by the SBC and to continuously update the information as it changes. The Commission has authority to create policies that direct the manner in which such information is posted on the State Architect's website.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note

Assumptions applied to amendment:

- According to the Department of Finance and Administration, increasing this threshold will provide the AG's office with more time to focus on larger, more complex contracts and allow the Department of General Services (DGS) and SBC to streamline current processes.
- According to DGS, 84 of 131 (64%) leases in the facilities revolving fund (leases involving state property) are currently in the range of \$75,000 - \$150,000. These 84 leases would no longer need approval of the AG or SBC.
- It is estimated that any cost savings realized by the AG or SBC from reviewing a fewer number of contracts will not be significant.
- According to the Office of the State Architect, it will be able to accommodate any additional duties within existing resources.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise'.

Lucian D. Geise, Executive Director

/jdb